

JUSTIFICATION OF PROGRAM AND PERFORMANCE

Activity: Recreation Fee Permanent Appropriations

Program Components	2000 Estimate	2001 Budget Estimate	Change From 2000 (+/-)
A.1. Recreational Fee Demonstration Program	[144,400]	[148,400]	[+4,000]
A.2. Deed-Restricted Parks Fee Program	[1,600]	[1,600]	[0]
A. Subtotal	146,000	150,000	+4,000
B. Fee Collection Support	600	600	0
C. National Park Passport Program	8,000	12,000	+4,000
D. Transportation Systems Fund	1,000	1,000	0
E.1. Educational Expenses, Children of Employees, Yellowstone National Park	[850]	[850]	[0]
E.2. Payment for Tax Losses on Land Acquired for Grand Teton National Park	[21]	[20]	[-1]
E. Subtotal	871	870	-1
Total Requirements \$(000)	156,471	164,470	+7,999

AUTHORIZATION

Recreational Fee Demonstration Program. Public Law 104-134, section 315 of section 101(c) (110 Stat. 1321-200) as amended or supplemented by: Public Law 104-208, section 319 of section 101(d) (110 Stat. 3009-223); Public Law 105-18, section 5001 of title II (111 Stat. 181); Public Law 105-83, sections 107, 320 and 321 (111 Stat. 1561, 1596); and Public Law 105-277, section 327 of Section 101(e).

Deed-Restricted Parks Fee Program. Public Law 105-327.

Fee Collection Support. Public Law 103-66, section 10002(b) (107 Stat. 403) as amended or supplemented by: Public Law 104-134, section 315 of section 101(c); Public Law 104-208, section 319 of section 101(d); and Public Law 105-83, section 107. (16 U.S.C. 460 l-6a(i)(1)(B).)

National Park Passport Program. Public Law 105-391, title VI.

Transportation Systems Fund. Public Law 105-391, section 501.

Educational Expenses, Children of Employees, Yellowstone National Park. 16 U.S.C. 40a-40c.

Payment for Tax Losses on Land Acquired for Grand Teton National Park. 16 U.S.C. 406 d-3.

OVERVIEW

This activity includes the several permanent appropriations that are derived from recreation entrance and use fees paid by visitors. Recreation fees collected by the NPS that are not made available through these permanent appropriations go into a special account authorized by section 5201 of Public Law 100-203 and are available for appropriation in the subsequent fiscal year to help fund the Operation of the National Park System appropriation account.

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The Deed-Restricted Parks Fee Program is combined as a sub-account with the Recreational Fee Demonstration Program for accounting and presentation purposes, and the Payment for Tax Losses on Land Acquired for the Grand Teton National Park account is combined with the Educational Expenses, Children of Employees, Yellowstone National Park account for presentation purposes, in accordance with Administration policy. Separate accounts or sub-accounts are maintained for accounting purposes for all items in this section.

APPLICABLE NATIONAL PARK SERVICE MISSION GOALS

- Ia Natural and cultural resources and associated values are protected, restored and maintained in good condition and managed within their broader ecosystem and cultural context.
- Ib The National Park Service contributes to knowledge about natural and cultural resources and associated values; management decisions about resources and visitors are based on adequate scholarly and scientific information.
- IIa Visitors safely enjoy and are satisfied with the availability, accessibility, diversity, and quality of park facilities, services, and appropriate recreational opportunities.
- IIb Park visitors and the general public understand and appreciate the preservation of parks and their resources for this and future generations.
- IIIa Natural and cultural resources are conserved through formal partnership programs.

A.I. Recreational Fee Demonstration Program Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$144,400,000

The Recreational Fee Demonstration Program, as authorized and amended in the FY 1996, FY 1997, FY 1998, FY 1999 and the FY 1997 Emergency Supplemental Appropriations Acts providing funds to the Department of the Interior, gave the National Park Service and other agencies authority to establish demonstration fee programs at up to 100 projects. In this program, the NPS and other agencies are to test the feasibility of user-generated cost recovery for operation and maintenance at recreation sites and habitat enhancement projects on Federal lands. As originally enacted, the legislation provided that all recreation fee revenue collected at a demonstration site above a specific target for each demonstration site would be automatically available to the NPS. The FY 1998 Interior Appropriations Act included an amendment to the Recreational Fee Demonstration Program that allows agencies to retain all recreation fee revenue generated at the demonstration sites. The FY 1998 act amendments also directed that the cost of fee collection for demonstration parks would thereafter be covered from the funds each demonstration park received from the Recreational Fee Demonstration Program account. The program is now authorized through FY 2001, with the revenue remaining available to the NPS through FY 2004.

The fee authority specifies that the NPS can retain 80 percent of the amount available for use at the collecting park, and that the remaining 20 percent is available to be allocated at the discretion of NPS management. By law, the funds retained by the NPS may be used for backlogged repair and maintenance projects (including projects relating to health and safety) and for interpretation, signage, fee collection, and habitat, facility enhancement or resource preservation projects. As policy, the Park Service has determined that the new revenue from the recreational fee demonstration program will be dedicated primarily to identified, backlogged maintenance, rehabilitation and resource management projects.

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As of the end of FY 1999, the NPS had implemented all 100 authorized fee demonstration projects. These projects ranged from raising existing admission fees at parks such as Yosemite, Yellowstone, Grand Teton and Grand Canyon National Parks to \$20 per vehicle and \$10 per person, to charging a \$20 per person interpretive fee for guided kayak tours at Redwood National Park. Automated fee collection machines, boating fees, multi-agency fees, contract fee collection, backcountry use, interpretive fees and high season fee rates were among new fee collection strategies that were implemented under the new fee demonstration authority.

Public reaction to the program has been favorable. A contracted recreation fee monitoring study was conducted at eleven units participating in the fee demonstration program in the summer of 1997. The study showed that 80 percent of the visitors to these units felt that the new fees were either "about right" or "too low." The vast majority of respondents said they supported the higher fee rates only if the money collected stayed in the park as a supplement and if the park budget was not offset by the fee revenue.

For FY 2000 receipts are estimated to be \$144,400,000, an increase of approximately two percent over FY 1999, despite the potential loss of revenue in this account from the initiation of the new National Park Passport Program. Lake Mead National Recreation Area will become part of the program in FY 2000 and has the potential for significant revenue collection. FY 2001 revenue is estimated at \$148,400,000. From its inception in FY 1997 through FY 2001, an estimated \$600 million will have been retained by the NPS under this authority to accomplish needed project requirements.

A table showing actual obligations, actual and estimated receipts, and actual and estimated expenditures from FY 1998 through FY 2001 for the Recreation Fee Demonstration follows. Further information on this program may be found in the *Recreation Fee Demonstration Program Annual Report to Congress* submitted in February 2000.

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Bureau: National Park Service

Recreational Fee Demonstration Program (\$000 except where indicated)

Program Component	FY 1998 Actual	FY1999 Actual	FY 2000 Estimate	FY 2001 Estimate
TOTAL FEES COLLECTED 1/	136,842	141,355	144,400	148,400
PROJECTS APPROVED FOR USE OF FEES				
Approved projects (number)	819	1,159	1,200	1,300
Approved projects	85,123	142,529	150,000	160,000
UNOBLIGATED BALANCE BROUGHT FORWARD AND RECOVERIES	40,222	125,804	186,226	186,226
OBLIGATIONS BY TYPE OF PROJECT				
Visitor Services	4,615	12,340	NA	NA
Resource Protection	983	2,285	NA	NA
Health and Safety Maintenance	14,183	25,480	NA	NA
Collection Costs	23,240	28,993	NA	NA
Other	8,239	11,835	NA	NA
TOTAL OBLIGATIONS	51,260	80,933	144,400	148,400
End of Year Cumulative Unobligated Balance 2/	125,804	186,226	186,226	186,226
Total Expenditures (Outlays)	40,457	65,866	120,200	145,300

NA Not Available.

1/ Includes Golden Eagle, Golden Age, Recreation Fee.

2/ Total fees collected plus forwarded unobligated balance minus total obligations.

A.2. Deed-Restricted Parks Fee Program Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$1,600,000

Beginning in FY 1999, any recreation fees collected by park units at which entrance fees cannot be collected by reason of deed restrictions are retained and used by those respective park units for the purposes of enhancing the quality of the visitor experience, protection of resources, repair and maintenance, interpretation, signage, habitat or facility enhancement, resource preservation, annual operation (including fee collection), maintenance, and law enforcement. The authorizing law applies to Great Smoky Mountains National Park, Lincoln Home National Historic Site and Abraham Lincoln Birthplace National Historic Site. For FY 2000, receipts are estimated to be

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\$1,600,000, from fees collected at Great Smoky Mountains National Park and Lincoln Home National Historic Site. For FY 2001, receipts are also estimated to be \$1,600,000.

B. Fee Collection Support Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$600,000

This permanent appropriation is used to cover the cost necessary to collect the fee revenue in a given year at fee collecting parks not included in the Recreational Fee Demonstration Program. By law, the NPS may retain up to 15 percent of the fee revenue collected in any year by non-demonstration sites to cover the cost of fee collection for that year for these parks. Before the authorization was changed by law in FY 1998, all fee collecting parks, including those in the fee demonstration program, had been eligible to receive funds from this account.

For FY 2000 and FY 2001, receipts are estimated to be \$600,000, calculated as 15 percent of estimated recreation fee receipts of \$4.0 million from non-demonstration sites. Any additional funds required for cost of collection at non-demonstration sites will be funded from the Operation of the National Park System appropriation, as will central office oversight and management of the fee program. The estimate for FY 2000 and FY 2001 is significantly lower than in previous years due to the fact that more parks have become part of the Recreation Fee Demonstration Program and some non-demonstration sites have ceased collection of fees due to judgements that the program was not cost-effective. The new parks in the fee demonstration program will test new, innovative strategies for fee collection in response to concerns expressed by the Appropriations Committees.

Should the Recreational Fee Demonstration Program authority become permanent, as proposed in this budget beginning in FY 2002, cost of collection for all parks would then be borne by the collecting park from receipts retained by that park.

C. National Park Passport Program Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$8,000,000

This program, authorized in FY 1999, will be established to sell National Park Passports for \$50 each to provide admission to all units of the National Park System for a period of 12 months from the date of purchase. The passport shall include a collectible stamp with a design to be chosen annually by competition. Up to 15 percent of the revenues from sale of passports may be used to administer and promote the program. Private vendors are also allowed to collect a commission for sales of passports. Net proceeds from sale of passports shall be deposited in a special account and used for high priority visitor service or resource management projects throughout the National Park System. The Service anticipates implementing the program in FY 2000, with net receipts estimated at \$8,000,000. For FY 2001, net receipts are estimated at \$12,000,000 due to more widespread recognition and visibility of the program.

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Transportation Systems Fund Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$1,000,000

This program, authorized in FY 1999, allows the National Park Service to charge a fee for public use of transportation services to all or part of any park unit and to retain and use the fees only for costs associated with the transportation systems at each unit where the fee was collected. For FY 1999, no receipts were collected under this authority.

For FY 2000, the first year of receipt activity for this program, receipts are estimated to be \$1,000,000. Zion National Park is expected to begin charging fees under this authority in FY 2000 for visitors entering the park on a new shuttle system. Similar collections are estimated in FY 2001.

E.1. Educational Expenses, Children of Employees, Yellowstone National Park Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$850,000

A sufficient amount of fees collected from visitors at Yellowstone National Park are deposited in a special fund as authorized by law to pay the additional costs of educating children of employees stationed at Yellowstone National Park, Wyoming-Montana-Idaho. Payments are made to reimburse schools at this remote location for their costs of furnishing educational facilities, including costs to augment teachers' salaries, to buy school equipment and supplies, to offset students' transportation costs, and to maintain park school facilities. For FY 2000, receipts are estimated to be \$850,000, a slight decrease from FY 1999. A similar amount is estimated for FY 2001.

E.2. Payment for Tax Losses on Land Acquired for Grand Teton National Park Estimated Program and Anticipated Accomplishments

FY 2000 Estimated Amount: \$21,000

A sufficient amount of fees collected from visitors at Grand Teton National Park and Yellowstone National Park are used to compensate the State of Wyoming as required by law for tax revenues lost as a result of Federal acquisitions of land in expanded areas of Grand Teton National Park. Amounts may vary because of tax rate changes, withdrawal of additional lands from the State's tax rolls because of Federal acquisition, and gradual reductions by law of the amount due for each tract of land after it is acquired. For FY 2000, receipts are estimated to be \$21,000, a slight decrease from FY 1999. A further modest decrease, to \$20,000, is estimated for FY 2001. This is a result of a gradual reduction by law of the amount due.